

CITY OF BISMARCK DEFERRED SICK LEAVE FUND  
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2004

	May-04				April-04				March-04				December-03				September-03				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Month	Market Value	Allocation	Actual	Month	Market Value	Allocation	Actual	Quarter	Market Value	Allocation	Actual	Quarter	Market Value	Allocation	Actual	Quarter	Net	Net	Ended	Ended
				Net ROR				Net ROR				Net ROR				Net ROR				Net ROR			6/30/2003	6/30/2003
LARGE CAP DOMESTIC EQUITY																								
Structured Growth																								
Los Angeles Capital	9,902	1.5%	1.5%	1.48%	9,763	1.5%	1.5%	-0.54%	10,576	1.6%	1.5%	-0.34%	10,309	1.6%	1.5%	9.12%	9,445	1.5%	1.5%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	0	0.0%	0.0%	N/A	0	0.0%	0.0%	N/A	0	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-1.88%	-21.24%	N/A
Total Structured Growth	9,902	1.5%	1.5%	1.48%	9,763	1.5%	1.5%	-0.54%	10,576	1.6%	1.5%	-0.34%	10,309	1.6%	1.5%	9.12%	9,445	1.5%	1.5%	4.99%	15.23%	-1.88%	-21.24%	N/A
Russell 1000 Growth				1.86%				-1.16%				0.79%				10.41%				3.92%	16.43%	2.94%	-21.54%	N/A
Structured Value																								
LSV	9,819	1.5%	1.5%	0.55%	9,761	1.5%	1.5%	-2.38%	10,463	1.6%	1.5%	6.22%	10,413	1.6%	1.5%	15.66%	9,015	1.5%	1.5%	3.75%	25.12%	-2.25%	8.84%	N/A
Russell 1000 Value				1.02%				-2.44%				3.03%				14.19%				2.06%	18.34%	-1.02%	-0.19%	N/A
Russell 1000 Enhanced Index																								
LA Capital	20,497	3.1%	3.0%	1.49%	20,189	3.1%	3.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Russell 1000				1.44%				-1.81%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
S&P 500 Enhanced Index																								
Westridge	19,983	3.1%	6.0%	1.38%	19,686	3.0%	6.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
S&P 500				1.37%				-1.57%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
Index																								
State Street	4,596			1.37%	4,534			-1.57%	4,212			1.68%	46,661			12.16%	41,598	6.7%	7.0%	2.64%	16.78%	0.23%	-11.28%	N/A
Transition Account	0			N/A	20			N/A	42,561			N/A	N/A			N/A	N/A			N/A	N/A	0.36%	N/A	N/A
Total Index	4,596	0.7%	1.0%	1.37%	4,554	0.7%	1.0%	-1.57%	46,773	7.0%	7.0%	1.68%	46,661	7.2%	7.0%	12.16%	41,598	6.7%	7.0%	2.64%	16.78%	0.23%	-11.28%	N/A
S&P 500				1.37%				-1.57%				1.69%				12.18%				2.64%	16.84%	0.25%	-11.20%	N/A
TOTAL LARGE CAP DOMESTIC EQUITY	64,797	9.9%	10.0%	1.30%	63,953	9.8%	10.0%	-2.22%	67,813	10.1%	10.0%	2.91%	67,384	10.4%	10.0%	12.20%	60,057	9.7%	10.0%	3.15%	17.97%	-0.48%	-9.33%	N/A
S&P 500				1.37%				-1.57%				1.69%				12.18%				2.64%	16.84%	0.25%	-11.20%	N/A
SMALL CAP DOMESTIC EQUITY																								
Manager-of-Managers																								
SEI	32,449	5.0%	5.0%	1.07%	32,123	4.9%	5.0%	-5.02%	36,606	5.5%	5.0%	6.61%	34,334	5.3%	5.0%	14.82%	29,896	4.8%	5.0%	9.48%	28.66%	0.09%	N/A	N/A
Russell 2000 + 200bp				1.76%				-4.93%				6.78%				15.07%				9.60%	30.28%	0.36%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	32,449	5.0%	5.0%	1.07%	32,123	4.9%	5.0%	-5.02%	36,606	5.5%	5.0%	6.61%	34,334	5.3%	5.0%	14.82%	29,896	4.8%	5.0%	9.48%	28.66%	0.09%	-3.49%	N/A
Russell 2000				1.59%				-5.10%				6.26%				14.52%				9.07%	27.97%	-1.63%	-3.30%	N/A
CONVERTIBLES																								
TCW	66,038	10.1%	10.0%	1.51%	65,225	10.0%	10.0%	-2.90%	68,654	10.3%	10.0%	2.50%	66,985	10.3%	10.0%	9.98%	60,901	9.8%	10.0%	1.85%	13.17%	10.23%	-9.51%	N/A
First Boston Convertible Index				0.64%				-1.93%				2.57%				8.54%				2.67%	12.81%	15.46%	-3.77%	N/A
INTERNATIONAL EQUITY																								
Large Cap - Active																								
Capital Guardian	54,125	8.3%	8.0%	-1.07%	56,493	8.6%	8.0%	-0.62%	56,345	8.4%	8.0%	3.50%	54,319	8.4%	8.0%	13.03%	48,422	7.8%	8.0%	8.14%	24.39%	-10.31%	-15.85%	N/A
MSCI EAFE - 50% Hedged				-0.57%				-0.53%				4.09%				13.15%				6.58%	24.15%	-11.24%	-15.51%	N/A
Small Cap - Value																								
Lazard	5,960	0.9%	1.0%	0.54%	5,169	0.8%	1.0%	-0.10%	7,568	1.1%	1.0%	8.63%	6,957	1.1%	1.0%	14.50%	6,572	1.1%	1.0%	9.92%	37.32%	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				-1.40%				-3.20%				12.80%				13.31%				15.95%	41.45%	N/A	N/A	N/A
Small Cap - Growth																								
Vanguard	5,709	0.9%	1.0%	-1.15%	5,036	0.8%	1.0%	-1.98%	7,106	1.1%	1.0%	10.37%	7,465	1.2%	1.0%	14.06%	6,376	1.0%	1.0%	14.95%	40.22%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-1.40%				-3.20%				12.80%				13.31%				15.95%	41.45%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	65,795	10.1%	10.0%	-0.95%	66,698	10.2%	10.0%	-0.70%	71,019	10.6%	10.0%	4.76%	68,741	10.6%	10.0%	13.28%	61,371	9.9%	10.0%	8.97%	27.19%	-9.20%	-15.51%	N/A
MSCI EAFE - 50% Hedged				-0.57%				-0.53%				4.09%				13.15%				6.58%	24.15%	-11.24%	-15.51%	N/A
DOMESTIC FIXED INCOME																								
Core Bond																								
Western Asset	136,101	20.8%	20.0%	-0.41%	185,094	28.3%	20.0%	-2.41%	200,549	30.0%	30.0%	2.96%	195,212	30.1%	30.0%	1.62%	191,349	30.9%	30.0%	-0.16%	1.53%	12.77%	11.23%	N/A
Lehman Aggregate				-0.40%				-2.60%				2.66%				0.32%				-0.14%	-0.24%	10.39%	10.07%	N/A
Index																								
Bank of ND	177,629	27.2%	30.0%	-0.45%	133,240	20.3%	30.0%	-2.36%	110,353	16.5%	18.0%	3.01%	104,608	16.1%	18.0%	0.07%	104,675	16.9%	18.0%	-0.46%	-0.28%	13.26%	10.87%	N/A
Lehman Intermediate Gov/Credit (1)				-0.45%				-2.37%				3.08%				-0.03%				-0.50%	-0.35%	13.14%	10.82%	N/A
BBB Average Quality																								
Strong	75,927	11.6%	10.0%	-0.88%	74,485	11.4%	10.0%	-3.16%	81,323	12.2%	12.0%	3.30%	80,805	12.4%	12.0%	1.46%	80,215	13.0%	12.0%	0.02%	0.62%	17.91%	N/A	N/A
Lehman US Credit BAA				-0.81%				-3.22%				3.41%				1.22%				0.27%	0.76%	18.33%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	389,657	59.6%	60.0%	-0.51%	392,819	60.0%	60.0%	-2.55%	392,224	58.6%	60.0%	3.05%	380,625	58.6%	60.0%	1.15%	376,239	60.8%	60.0%	-0.21%	0.85%	13.18%	10.80%	N/A
Lehman Gov/Credit				-0.51%				-3.07%				3.08%				-0.03%				-0.50%	-1.12%	13.14%	10.82%	N/A
CASH EQUIVALENTS																								
Bank of ND	35,136	5.4%	5.0%	0.11%	34,084	5.2%	5.0%	0.09%	32,693	4.9%	5.0%	0.29%	30,994	4.8%	5.0%	0.29%	30,403	4.9%	5.0%	0.30%	1.09%	1.57%	3.26%	N/A
90 Day T-Bill				0.09%				0.08%				0.24%				0.26%				0.25%	0.92%	1.52%	3.33%	N/A
TOTAL DEFERRED SICK LEAVE FUND	653,872	100.0%	100.0%	-0.07%	654,903	100.0%	100.0%	-2.36%	669,008	100.0%	100.0%	3.10%	649,062	100.0%	100.0%	4.89%	618,868	100.0%	100.0%	1.78%	7.38%	8.77%	3.02%	N/A
POLICY TARGET BENCHMARK				-0.08%				-2.50%				3.01%				4.03%				1.39%	5.86%	8.44%	3.48%	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.  
(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.